

11 JUN 1954

MEMORANDUM FOR: Assistant Director for Personnel

SUBJECT: Highlights of the Annual Report of the Civil Service Commission for the Fiscal Year 1953

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1. The 1953 Report of the Civil Service Commission emphasizes four major developments during the year: (a) appointment of a new Commission and designation of the Chairman as an advisor to the President on personnel matters; (b) replacement of the previous loyalty program by the security program; (c) development of Schedule C as a new category of positions; and (d) a decline in Federal employment. The Report also summarizes the principal administrative accomplishments during the year in recruiting, placing, and reducing personnel; implementing executive and management improvement programs, adjudicating appeals, and conducting inspections and investigations. In addition, there are appended to the Report, applicable Executive Orders and amendments to CSC rules which were issued during the reporting period.

2. Highlights of the Report are briefly described below:

a. Recruiting, Examining and Placement

- (1) The number of Federal employees was 2,486,600 at the end of June 1953, a decline of 116,700 during the fiscal year. This reduction resulted in fewer shortage areas, although there remained a need for stenographers and certain types of engineers, physical scientists, and tradesmen.
- (2) With the passage of P.L. 455, 82nd Congress, maximum age limits were abandoned for competitive positions except when deemed necessary by CSC. However, personnel age 70 or over may be hired only for 1 year or less, although such temporary appointments can be made without limit as to number. Thus, these personnel can easily be terminated if they subsequently become incapable of performing at a satisfactory level.
- (3) Continued emphasis was placed upon the conduct of competitive recruiting by Federal agencies, under the guidance of CSC standards. During the year, 73% of new field employees were hired through agency boards of examiners and 9% were hired by this method in Washington, D.C.
- (4) A number of changes were made in RIF regulations. Tenure groups were reduced from 6 to 3 with each of the latter divided into 2 sub-groups - veteran and non-veteran. The right of an employee to replace another in a lower group was limited to positions in the same bureau in Washington or within the same installation outside Washington.

- (5) On 31 March 1953, Schedule C was established and arrangements were made for positions to be placed in the Schedule by transfer from Schedules A and B, by transfer from the competitive service and by the establishment of new positions.

b. Staff Development

- (1) The Junior Management Assistant examination was announced for the fifth year, but the Junior Professional Assistant examination (social sciences) was not given, due to lowered demand. A new exam - Junior Government Assistant examination was developed as a replacement of the JMA in the field service.
- (2) As a part of its program to promote the establishment of planned executive developmental programs, the Executive Development Staff, CSC, inventoried the management programs of several agencies and prepared reports on those of the Department of Agriculture, the Department of Health, Education and Welfare, the U.S. Civil Service Commission, and the Departments of Navy and State.

c. Position Classification and Pay

- (1) As of 30 June 1953, 10 million continental and overseas employees were compensated under the Classification Act.
- (2) The CSC substantially increased its audit activity during the year, making over 114 thousand post audits and 4 thousand pre-audits.
- (3) 611 class standards were prepared, bringing the Commission's total for a ten year period to over 10,000.
- (4) For the first time in recent years, the CSC and Bureau of the Budget prepared a comprehensive study of the methods and practices followed by agencies in administratively fixing the pay of those personnel compensated in accordance with prevailing wage rates. The CSC voiced its approval of an abolition of the CPC schedule. Compensation of CPC employees per prevailing local rates is proposed in the Report.
- (5) During the last decade, 11683 rewards for superior accomplishment have been granted under the Classification Act. No less than 2225 of these were authorized in FY 1953.

d. Loyalty Program

- (1) Fiscal year 1953 marked the close of the loyalty program and the prescription of the President's security program (E.O. 10450, 27 April 1953).
- (2) Most of the Commission's activity during this fiscal period concerned loyalty cases. 27 May 1953 was the last day on which the Loyalty Review Board accepted cases on appeal.

e. Adjudication of Appeals

- (1) Significant changes during 1953 in the handling of appeals included:
 - (a) Revision of procedures for adjudicating appeals under the Veteran's Preference Act by requiring the presentation of all evidence at the time of the original appeal. Thus, duplicate hearings and tardy presentation of evidence were prevented.
 - (b) Reorganization of the Board of Appeals and Review, in order to increase productivity and control.
 - (c) Transfer of the performance rating appeals function from the Position Classification Division to the Board of Appeals and Review and transfer of the initial RIF appeal functions covering Washington, D.C., employees from the Position Classification Division to the Examining and Placement Division.
 - (d) Reduced the time required to process Section 14 appeals in the regional offices by 15%.
- (2) Section 14 appeals increased from 1619 in FY 1952 to 1932 in FY 1953, and there was a very large increase in the number of initial RIF appeals.

f. Other developments

- (1) The CSC, Bureau of the Budget, and the Departments of State and Defense jointly surveyed the personnel practices overseas of 16 American private companies.
- (2) Major studies of the Federal Personnel Council during the year involved Federal personnel problems relating to civil

defense; simplification of fund raising drives, performance evaluation, and training. It also commented on a number of legislative proposals, and reviewed various policy issues and regulations of the CSC, while in the formulative stage.

Signed

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Chief, Planning and Analysis Staff

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